

Firstsource Solutions Limited

AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2014

CIN: L64202MH2001PLC134147

Registered office: 5th Floor, Paradigm 'B' wing, Mindspace, Link Road, Malad (West), Mumbai 400 064
Tel: + 91 22 66660888 Fax: + 91 22 6666 0887 web: www.firstsource.com, email-complianceofficer@firstsource.com

(Rs. in millions, except per share data and per equity data)

Particulars	Quarter ended			Nine months ended		Year ended
	December 31	September 30	December 31	December 31	December 31	March 31
	2014	2014	2013	2014	2013	2014
	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
Income from operations						
Income from operations	7,372.59	7,698.00	7,993.54	22,689.93	23,206.80	31,270.23
Other operating income, net	137.63	41.85	4.09	116.18	(110.08)	(211.47)
Total income from operations	7,510.22	7,739.85	7,997.63	22,806.11	23,096.72	31,058.76
Expenses						
Employee benefits expense	5,019.77	5,196.91	5,511.50	15,283.24	15,898.67	21,294.05
Depreciation and amortisation	189.28	177.26	189.71	542.00	576.01	757.02
Other expenses	1,554.89	1,594.22	1,554.86	4,708.16	4,565.88	6,143.46
Total expenses	6,763.94	6,968.39	7,256.07	20,533.40	21,040.56	28,194.53
Profit from operations before other income and finance costs	746.28	771.46	741.56	2,272.71	2,056.16	2,864.23
Other income	24.73	46.97	2.43	61.46	30.19	20.04
Profit from ordinary activities before finance costs	771.01	818.43	743.99	2,334.17	2,086.35	2,884.27
Finance costs	172.74	180.70	211.61	537.17	653.64	851.47
Profit from ordinary activities before tax	598.27	637.73	532.38	1,797.00	1,432.71	2,032.80
Tax expense	21.16	24.71	47.68	73.72	90.52	100.89
Net profit from ordinary activities after tax	577.11	613.02	484.70	1,723.28	1,342.19	1,931.91
Minority Interest	1.98	0.61	1.60	3.25	1.04	2.29
Net profit after tax and minority interest	575.13	612.41	483.10	1,720.03	1,341.15	1,929.62
Paid-up Equity Share Capital (Face Value of Share Rs. 10)	6,651.40	6,630.05	6,587.35	6,651.40	6,587.35	6,597.35
Reserves excluding Revaluation Reserve				17,229.33	13,831.62	14,316.86
Earnings Per Share (Rs.) : (Not Annualized)						
-Basic	0.87	0.93	0.73	2.60	2.04	2.93
-Diluted	0.81	0.87	0.71	2.43	1.98	2.82
Particulars of shareholding						
Public shareholding						
- Number of shares of Rs. 10	291,163,261	289,028,015	284,758,328	291,163,261	284,758,328	285,758,203
- Percentage of shareholding	43.77%	43.59%	43.23%	43.77%	43.23%	43.31%
Promoters` and promoter group shareholding						
a) Pledged / Encumbered						
- Number of shares	-	-	-	-	-	-
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-
- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-	-
b) Non-encumbered						
- Number of shares	373,976,673	373,976,673	373,976,673	373,976,673	373,976,673	373,976,673
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
- Percentage of shares (as a % of the total share capital of the company)	56.23%	56.41%	56.77%	56.23%	56.77%	56.69%

Notes to financials results :

- The above results were reviewed by the Audit Committee and adopted by the Board of Directors at their meeting held on February 9, 2015. The standalone financial results for the quarter and nine months ended December 31, 2014 are available on the Company's website (www.firstsource.com) and the websites of BSE (www.bseindia.com) and NSE (www.nseindia.com).
- The financial statements of the Parent Company and its subsidiaries have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances/ transactions and resulting unrealised profits in full. Minority interest's share of profits or losses is adjusted against income to arrive at the net income attributable to the Company's shareholders.
- Effective year ended March 31 2009, the Company has early adopted Accounting Standard (AS) 30 "Financial instruments: Recognition and Measurement", pursuant to announcement made by the Institute of Chartered Accountants of India (ICAI).
- Standalone Information (Audited)

Particulars	Quarter ended			Nine months ended		Year ended
	December 31	September 30	December 31	December 31	December 31	March 31
	2014	2014	2013	2014	2013	2014
	Total income from operations	2,337.03	2,385.05	2,357.83	6,934.36	6,984.35
Net profit before taxation	449.95	527.50	362.83	1,360.75	971.57	1,344.70
Net profit after taxation	458.82	537.93	362.83	1,380.05	971.57	1,344.70

- During the quarter ended December 31, 2014, 2,135,246 equity shares were issued pursuant to exercise of stock options under the Employee Stock Option Scheme of the Company.
- During the quarter ended December 31, 2014, 7 complaints were received from investors which were resolved. There was no complaint pending at the beginning and at the end of the quarter.
- Figures for the prior periods have been regrouped and / or reclassified wherever considered necessary.

Segment Reporting						
Particulars	Quarter ended			Nine month ended		Year ended
	December 31	September 30	December 31	December 31	December 31	March 31
	2014	2014	2013	2014	2013	2014
	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
Segment Revenue						
a) UK	2,621.03	2,784.62	2,916.02	8,139.34	8,266.94	11,135.07
b) USA and Canada	3,616.13	3,606.25	3,728.58	10,842.51	10,699.60	14,583.73
c) India	626.23	641.71	666.52	1,882.35	2,151.65	2,784.20
d) Rest of the World	509.20	665.42	682.42	1,825.73	2,088.61	2,767.23
Total	7,372.59	7,698.00	7,993.54	22,689.93	23,206.80	31,270.23
Less: Inter Segment Revenue	-	-	-	-	-	-
Net Segment Revenue	7,372.59	7,698.00	7,993.54	22,689.93	23,206.80	31,270.23
Segment results before tax and finance costs						
a) UK	613.43	553.77	534.97	1,592.84	1,324.86	1,905.51
b) USA and Canada	398.08	465.82	428.38	1,404.92	1,334.89	1,804.27
c) India	55.24	88.18	129.97	202.65	288.16	369.13
d) Rest of the World	75.59	67.15	33.85	206.84	250.34	266.36
Total	1,142.34	1,174.92	1,127.17	3,407.25	3,198.25	4,345.27
i) Finance costs	(172.73)	(180.70)	(211.61)	(537.17)	(653.64)	(851.47)
ii) Other unallocable expenditure net of unallocable Income	(371.34)	(356.49)	(383.18)	(1,073.08)	(1,111.90)	(1,461.00)
Profit before tax and minority interest	598.27	637.73	532.38	1,797.00	1,432.71	2,032.80
Capital Employed						
a) UK	1,303.42	1,216.29	1,644.49	1,303.42	1,644.49	1,475.99
b) USA and Canada	29,484.65	28,800.85	28,383.99	29,484.65	28,383.99	27,207.95
c) India	486.57	494.75	428.50	486.57	428.50	771.28
d) Rest of the World	759.31	646.72	568.87	759.31	568.87	881.29
e) Unallocated	1,780.24	1,980.10	1,289.44	1,780.24	1,289.44	1,559.41
Total	33,814.19	33,138.71	32,315.29	33,814.19	32,315.29	31,895.92
Notes on segment information						
<i>Primary segments</i>						
The Primary segment of the company is geography, identified on the basis of the location of the customer which in the opinion of management, is the predominant source of risk and rewards. The business of the Group is organized into four key geographic segments comprising United Kingdom, United States of America and Canada, India and Rest of the World.						
<i>Capital Employed</i>						
Capital employed comprises debtors including unbilled receivables and goodwill on consolidation directly attributable to the reportable segments. As the fixed assets and services are used interchangeably between the segments by the Group's businesses and liabilities contracted have not been identified to any of the reportable segments, the Group believes that it is currently not practicable to provide segment disclosures relating to these assets and liabilities and hence, has been included under unallocated.						
						By order of the Board For Firstsource Solutions Limited
Mumbai, India February 9, 2015						Rajesh Subramaniam Managing Director and CEO

Firstsource Solutions Limited

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Particulars	Quarter ended			Nine months ended		Year ended
	December 31	September 30	December 31	December 31	December 31	March 31,
	2014	2014	2013	2014	2013	2014
	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
Income from operations						
Income from operations	2,220.02	2,346.44	2,433.17	6,849.46	7,230.26	9,541.72
Other operating income, net	117.01	38.61	(75.34)	84.90	(245.91)	(368.44)
Total income from operations	2,337.03	2,385.05	2,357.83	6,934.36	6,984.35	9,173.28
Expenses						
Employee benefits expense	1,109.20	1,111.94	1,200.85	3,289.17	3,571.30	4,607.91
Depreciation and amortisation	115.09	117.80	130.46	351.17	405.74	527.19
Other expenses	666.25	675.50	672.01	2,001.79	1,995.78	2,668.42
Total expenses	1,890.54	1,905.24	2,003.32	5,642.13	5,972.82	7,803.52
Profit from operations before other income and finance costs	446.49	479.81	354.51	1,292.23	1,011.53	1,369.76
Other income	67.72	99.04	51.36	234.31	87.21	152.13
Profit from ordinary activities before finance costs	514.21	578.85	405.87	1,526.54	1,098.74	1,521.89
Finance costs	64.26	51.35	43.04	165.79	127.17	177.19
Profit from ordinary activities before tax	449.95	527.50	362.83	1,360.75	971.57	1,344.70
Tax expense	(8.87)	(10.43)	-	(19.30)	-	-
Net profit from ordinary activities after tax	458.82	537.93	362.83	1,380.05	971.57	1,344.70
Paid-up Equity Share Capital (Face Value of Share Rs. 10)	6,651.40	6,630.05	6,587.35	6,651.40	6,587.35	6,597.35
Reserves excluding Revaluation Reserve				9,025.74	6,421.58	7,204.60
Earnings Per Share (Rs.) (not annualised)						
-Basic	0.69	0.81	0.55	2.08	1.48	2.04
-Diluted	0.65	0.76	0.53	1.95	1.44	1.96
Particulars of shareholding						
Public shareholding						
- Number of shares of Rs. 10	291,163,261	289,028,015	284,758,328	291,163,261	284,758,328	285,758,203
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a) Pledged / Encumbered						
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- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-
- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-	-
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By order of the Board
For Firstsource Solutions Limited

February 9, 2015

Rajesh Subramaniam
Managing Director and CEO